

# *Region 9*

## **BROWNFIELDS**

### *Action Agenda*



*Brownfields are vacant properties which may be contaminated from their previous industrial use. After the contamination is cleaned up, these properties can be redeveloped.*

#### **WHAT ARE BROWNFIELDS?**

EPA defines *Brownfields* as abandoned, idled or under-used industrial and commercial facilities where expansion or redevelopment is complicated by real or perceived environmental contamination. Frequently, these properties, once the source of jobs and economic benefits to the entire community, lie abandoned for fear of the contamination and the liability it implies. Instead, companies pass over these brownfields in the urban core and head for the pristine *greenfields* outside the cities. EPA's *Brownfields Initiative* makes it easier for such sites to be redeveloped and become vital, functioning parts of their communities.

## THE BROWNFIELDS ACTION AGENDA

EPA announced its Brownfields Action Agenda in 1995. The Action Agenda outlined four key areas of action for returning brownfields to productive use: awarding brownfields pilot grants; clarifying liability and cleanup issues; building partnerships with all brownfields stakeholders; and fostering local job training programs. By 1996, EPA completed its commitments in the 1995 Action Agenda. However, it became clear that brownfields revitalization required broader federal involvement and the inclusion of the private sector and non-governmental organizations.

### BROWNFIELDS . . .

- vacant or under-used properties
- may be polluted from their previous industrial use
- can be re-used for community benefit

## THE NATIONAL PARTNERSHIP ACTION AGENDA

In 1997, EPA expanded its Brownfields Initiative by announcing the *Brownfields National Partnership Action Agenda*, which encourages cooperation among government, business, and community organizations. The Brownfields

National Partnership seeks to protect public health and the environment, clean up contaminated properties, promote economic development, and create job opportunities. Under the Brownfields National Partnership, EPA is coordinating activities with more than 20 federal departments and agencies, including the Department of Housing and Urban Development (HUD), the Economic Development Administration, and the Department of Transportation.

## BROWNFIELDS SHOWCASE COMMUNITIES

As the centerpiece of the Brownfields National Partnership, 16 Showcase Communities were selected in 1998 to serve as models demonstrating the benefits of focused, coordinated attention to brownfields redevelopment. Federal departments and agencies committed more than \$300 million in technical, financial, and other assistance to the Showcase Communities. East Palo Alto and Los Angeles were two of the first round of 16 Showcase Communities selected nationally. Twelve more Showcase Communities were announced in October 2000. The Gila River Indian Community was selected as a Showcase Community in Region 9.

### **East Palo Alto, California**

In 1996, EPA provided East Palo Alto with comprehensive site assessment services to give prospective purchasers an idea of how much cleanup will be needed to redevelop the Ravenswood business district. The sampling revealed that contamination was far less than previously estimated and cleanup costs would likely be in the \$3 to \$5 million range, rather than an earlier estimate of \$30 million. Potential developers have expressed interest in the project, now that cleanup costs are much lower than previous estimates. EPA provided a brownfields grant to the City to convene a stakeholder's forum to make recommendations for the reuse of the Ravenswood business district. The grant was also used to conduct an Urban Design Study to provide a blueprint for development of the Ravenswood business district and major connecting corridors. The Urban Design Study resulted in a plan for office, high-tech, and residential areas, likely to generate about 4,000 jobs with a significant percentage filled by local residents.

In order to provide additional assistance to East Palo Alto, the Federal Regional Council, a group of federal agencies serving the San Francisco Bay Area, meets monthly with the City.

An EPA employee, on loan to East Palo Alto since 1996, also assists the City on brownfields redevelopment issues.



*A developer will build 1 million square feet of manufacturing space, and invest \$80 million to develop this brownfields site in Los Angeles*

### **Los Angeles, California**

Since 1996, EPA has loaned one of its employees to Los Angeles to assist with its brownfields program. To take advantage of various redevelopment opportunities, Los Angeles established a Brownfields Revitalization Fund from the City's HUD Community Development Block Grant. This pool of resources, now totaling \$3.6 million, is being used to work on 30 brownfields sites.

The City is currently working on several demonstration sites. One property was formerly slated to become a prison and is located near the City's eastern industrial core and the Alameda Corridor Project. The City used its Brownfields Revitalization Fund to conduct extensive site assessment and outreach efforts under a Voluntary Cleanup Agreement with the California Department of Toxic Substances Control.

The State issued a closure letter, and the City selected a developer for the property. The developer will build over 1 million square feet of manufacturing space and invest over \$80 million to develop the site.



*The City of Colton receives a \$200,000 grant from EPA for brownfields site assessment activities*

Another brownfields site is a 208-acre area with multiple owners in South Central Los Angeles that will be developed into a model inner city industrial park. The City will receive \$12.1 million in HUD Brownfields Economic Development Initiative grant and loan funds to assist in cleanup, business expansion, and redevelopment activities on three specific sites within this area. One project will be a full service grocery store and retail complex to be developed by a non-profit community organization, Concerned Citizens of South Central Los Angeles. The Economic Development Administration is also providing \$2.4 million for infrastructure improvements for the industrial park.

### ***Gila River Indian Community, Arizona***

The Gila River Indian Community will use their Showcase Community designation to expand the brownfields program across the entire Community, as well as a tribally acquired parcel at the former Williams Air Force Base. Situated between the Sunbelt communities of Phoenix and Tucson, the Community is ideally situated to fully participate in the economic opportunities of the region. The tribe plans to complete site assessments at several industrial parks, old landfills, and abandoned farms.

## **BROWNFIELDS SITE ASSESSMENT PILOTS**

EPA's Brownfields Site Assessment Pilot grants provide assistance to cities, counties, states, and tribes to conduct brownfields activities such as site identification, site assessment, and remediation planning and design. Grants are awarded at up to \$250,000. Cities with existing pilot grants are eligible to compete for additional funds to continue or expand their site assessment activities. To encourage the preservation or creation of green space, \$50,000 is available for cities to conduct site assessments at properties that will be used for parks, trails, wetland preservation, or other green space proposals. An example of the Tucson site assessment pilot follows.



## Tucson, Arizona

Tucson's brownfields pilot project area is the Warehouse District/ Barraza Aviation Parkway Corridor, which includes approximately 80 acres of warehouse properties, roadways, and vacant sites located within the downtown City Center. The pilot project goals are to educate Warehouse District tenants about contamination; conduct site assessments; create a database of known contamination and remediation efforts in the pilot area; and identify funding mechanisms for cleanup.

Three environmental assessments have been completed in the Warehouse District. Additionally, areas around the recently approved \$60-\$80 million dollar Rio Nuevo redevelopment in the Southwestern part of the City are being targeted for site assessments, and a number of environmental assessments are underway.

## BROWNFIELDS CLEANUP REVOLVING LOAN FUND PILOTS

The Brownfields Cleanup Revolving Loan Fund Pilot program provides grant funds for cities to use to start revolving loan funds. Cities or developers can then borrow these funds at a low interest rate set by the city to conduct cleanup activities at contaminated properties. After the loans are repaid, the city can loan out the funds again. If a city or a

non-profit group is the borrower, then some of the cleanup money takes the form of a grant that does not need to be repaid. Grants to cities for brownfields cleanup revolving loan funds are awarded at up to \$1 million.

Las Vegas was awarded a Brownfields Cleanup Revolving Loan Fund grant in 1999. The City successfully made a \$50,000 loan at a 2% interest rate to cleanup a former National Guard Armory site. The 3.6-acre site will be redeveloped as a community center, small business center, and cultural arts center with some retail space. Las Vegas was the first city in the Nation to cleanup a brownfields site using the Revolving Loan Fund.

## EPA's BROWNFIELDS PILOTS

### EPA Funds Three Types of Brownfields Pilot Grants

#### 1. Brownfields Site Assessment Pilot Grants

##### *can be used to:*

- inventory brownfields properties
- sample the properties for contaminants
- prepare cleanup plans and estimate cleanup costs
- conduct community outreach

#### 2. Brownfields Cleanup Revolving Loan Fund Pilot Grants

##### *can be used to:*

- loan money to developers for cleanup work
- combine grant and loan money to cities and non-profit groups for cleanup work

#### 3. Brownfields Job Training and Development Pilot Grants

##### *can be used to:*

- train job seekers in environmental cleanup work
- assist graduates in finding jobs



*Sampling for contaminants*

## REDUCING LIABILITY FEARS

The fear of potential environmental liability is a significant factor affecting the redevelopment of real estate. Property that is contaminated—or even suspected of being contaminated—may be difficult to sell because buyers are concerned they may become liable for cleanup costs. In an effort to reduce the fears about property transactions, EPA has issued guidance to address these concerns. One such example is the guidance on agreements with prospective purchasers of contaminated

property. This guidance explains when EPA will sign an agreement not to sue the buyer of a property for existing contamination in exchange for an appropriate cash or work contribution to the cleanup of the property, or indirect benefits. Indirect benefits can include potential environmental improvements as well as economic and social factors such as jobs, infrastructure, an increased tax base, and opportunities for disadvantaged groups.

### A Prospective Purchaser Agreement Sparks Redevelopment

Region 9 has signed 15 prospective purchaser agreements and is currently negotiating several more. One of our latest such brownfields agreements was finalized in December 1999 with the Middlefield-Ellis-Whisman Superfund site. A covenant not to sue was entered into with Jay Paul Company, Inc. to purchase ten acres of idle industrial property located in Mountain View, California. This property, formerly owned by CalTech and leased for high-tech manufacturing, is one of several sources of groundwater contamination in Silicon Valley. The developer plans to build two 80,000 square-foot office buildings on this parcel, restoring to productive use property that has been vacant for several years. As part of the agreement, the prospective purchaser will pay \$75,000 into a special account for EPA response actions at the site.

## TARGETED BROWNFIELDS ASSESSMENTS

Another part of EPA's brownfields program is to conduct site assessments for cities, states, and non-profit developers. Potential buyers and developers are often reluctant to purchase properties when they are not sure of the level of contamination on the property. By providing Phase I\* and II† property assessments at sites with redevelopment potential, EPA can give cities and developers an idea of how much cleanup will be needed to redevelop the property.

\* A Phase I assessment refers to the collection of current and historical information about a property.

† A Phase II assessment refers to sampling activities to determine the levels of contaminants.

### ***Kaka'ako Makai, Honolulu, Hawaii***

The waterfront area of the Kaka'ako district consists of 227 acres between Ala Moana Beach Park and Aloha Tower. Historically, this area was used for light industrial and warehousing operations. Recent redevelopment efforts include the development of Kaka'ako Waterfront Park and the Children's Discovery Center. In the past, EPA assisted the State by providing \$100,000 for Targeted Brownfields Assessments at other redevelopment sites. Currently, EPA is providing an additional \$100,000 to conduct more detailed environmental testing at one of the redevelopment sites. This will help the State determine the extent of contamination at the property and develop an appropriate cleanup plan. The State plans to transform the area into a world-class center of activities which will include recreational and cultural activities, shopping, waterfront restaurants, and entertainment.

## **PARTNERSHIPS**

### ***West Hollywood, California***

Many cities use the EPA brownfields grant in combination with funding from other federal agencies to assist in the redevelopment of brownfields properties within their city. For example, West Hollywood used EPA funds for an environmental assessment at their Gateway Center project. Then HUD awarded the City \$10 million in grants and loans

which will pay for site acquisition, cleanup, and redevelopment planning. West Hollywood's Gateway Center will be a mixed-use office, retail and restaurant complex that is expected to generate \$1.7 million in taxes annually, 750 new jobs, and another \$66 million in private and public investments.

Cities with properties that have development potential but need environmental site assessments to determine the level of contaminants and estimated cleanup costs should contact EPA's Brownfields Team.

**Call (415) 744-2378  
to request an application for assistance**



*The Gateway Center project in West Hollywood, California will transform brownfields properties into a mixed-use office, retail, and restaurant complex*

## JOB TRAINING AND DEVELOPMENT PILOTS

EPA's Brownfields Job Training and Development Pilot grants prepare local residents for jobs related to the assessment and cleanup of brownfields properties. This grant program helps workers take advantage of jobs created by the cleanup of properties in their community. Cities, non-profit job training organizations, community colleges, and universities may compete for grants of up to \$200,000 for job training programs in environmental cleanup work.

### *San Francisco's Young Community Developers*

Young Community Developers is a non-profit job training and placement organization serving the Bayview Hunters Point neighborhood in San Francisco. EPA awarded them a \$180,000 grant to provide environmental clean-up and construction training to 40 students. Young Community Developers provides training in worker safety, hazardous materials handling, asbestos removal, lead abatement, and general construction. In addition, students participate in a boot-camp style program to demonstrate their commitment to the program and improve their physical fitness. Once training is completed, graduates are assisted in finding jobs in the environmental field. The first class of 24 trainees graduated in March 2000. After graduation, all trainees were placed in jobs and many received salary increases within a few months. In addition to EPA, Young Community Developers receives funding from other agencies, universities, and private companies.



*Students in Young Community Developers' job training program learn how to use protective clothing for jobs involving the cleanup of hazardous materials*